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ABSTRACT

Washington Works is a nonprofit organization founded in Seattle, Washington, in 1992 to help low-income women improve their lives and the lives of their children by teaching them to think differently about themselves. The program offered courses in personal effectiveness training, basic skills training, office skills development, and job search strategies. By building strong relationships with local employers, Washington Works placed welfare recipients in jobs with above-average entry-level earnings. To help women make a successful transition from welfare to work, Washington Works provided continuing support services for its graduates. The following aspects of Washington Works's experience were examined to clarify how nonprofit organizations can facilitate welfare reform: training program development; relationship with local employers; client recruitment; staff development; program funding; and administrative fluctuation and restabilization. The case study confirmed the importance of the following: establishing and preserving a core mission; cultivating and sustaining positive relationships with employers, public agencies, and the larger community; continuously assessing and gaining feedback on the program; understanding and managing tensions between visionary and strategic thinkers; and preparing for expansion and success. (Appended is a list of 56 Manpower Demonstration Research Corporation publications.)(MN)

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ED 418 335

Washington Works

Sustaining a Vision of Welfare Reform Based on Personal Change, Work Preparation, and Employer Involvement

Susan Gooden

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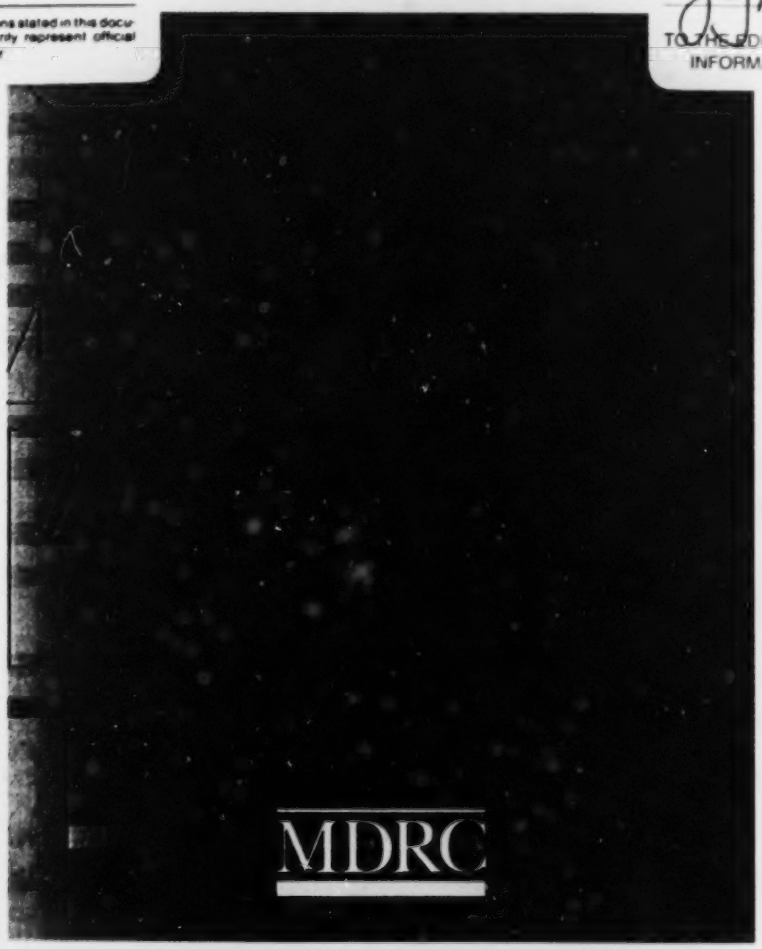

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Washington Works

Sustaining a Vision of Welfare Reform Based on Personal Change, Work Preparation, and Employer Involvement

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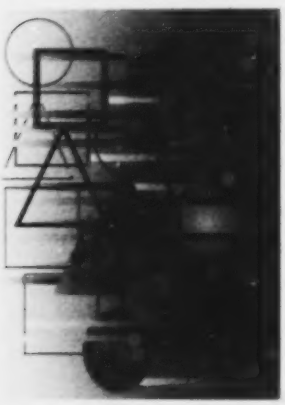

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PREFACE

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ended the 60-year-old Aid to Families with Dependent Children (AFDC) Program and replaced it with block grants to states known as Temporary Assistance for Needy Families (TANF). The law gives states great flexibility in using TANF funds but also includes strict work requirements and time limits on welfare recipients' receipt of federally funded cash benefits. These changes intensify the need for innovative approaches to encourage and assist welfare recipients in their move toward employment and economic self-sufficiency.

In response to these new challenges, the Manpower Demonstration Research Corporation (MDRC) is conducting the Connections to Work project with support from The Rockefeller Foundation and the Charles Stewart Mott Foundation. With a focus on cutting-edge initiatives, the project aims to assist emerging public-private partnerships, local organizations, and agencies plan for change and to develop practical lessons on new approaches to the provision of employment services.

This case study—the second in the Connections to Work series—is supported by the Charles Stewart Mott Foundation. It tells the story of Washington Works, a nonprofit, Seattle-based organization founded in 1992. Washington Works' founders were committed to a distinctive philosophy of "personal transformation"—teaching low-income women how to think differently about themselves as a crucial step toward improving their lives and the lives of their children. This philosophy informs the program's courses, which include personal effectiveness training, basic skills training, office skills development, and job-search strategies. Washington Works has secured welfare recipients job placements with above-average entry-level earnings by building strong relationships with local employers. Finally, to help women make a successful transition from welfare to work, the organization provides support services for its graduates once they have been placed in a job.

This case study traces the inspiration, development, and growing pains of a nonprofit organization founded and run by individuals who were new to the welfare service delivery world, and provides lessons to others who are considering similar welfare-to-work strategies. These lessons include the importance of developing positive relationships with public agencies, obtaining employer input in program design, maintaining solid relationships with employers, and understanding the tensions between an organization's visionary founders and its day-to-day administrators.

Overall, this case study clarifies the steps that a nonprofit organization can take to create and sustain a unique vision of welfare reform and make that vision a reality. We hope that the lessons provided here will be valuable to all those interested in innovative welfare-to-work strategies.

Judith M. Gueron
President

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This case study is the compilation of many voices. I am especially grateful for the input of the founders of Washington Works—Virginia Gilder, Marnie Gustavson, and Theresa Smith Strange—as well as current and former staff of Washington Works, Washington Works' Board of Directors, participants and graduates of Washington Works, Seattle's Department of Social and Health Services, Seattle-King County Private Industry Council, Washington Works' Employer Advisory Council, Renton Technical College, Seattle Housing Authority, and representatives from the Seattle employer community. Each one made meaningful and important contributions throughout this project.

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The Author

INTRODUCTION

The creation of many nonprofit organizations begins with the vision of one or more charismatic founders. The original vision and the core mission then come face to face with the realities and constraints of an evolving policy context and the ongoing struggle for funding stability. These constraints have been especially dramatic since 1996, when the Personal Responsibility and Work Opportunity Reconciliation Act became law. The 1996 law eliminated the guarantee of cash assistance to the poor that had been provided through Aid to Families with Dependent Children (AFDC). AFDC, the traditional welfare program, was essentially replaced by Temporary Assistance for Needy Families (TANF), a block grant to the states emphasizing time-limited cash assistance and more stringent work requirements. For individuals unable to obtain unsubsidized jobs,[1] the legislation also represented a profound shift from a focus on education and training to a focus on "work first" strategies designed to get welfare recipients into jobs as quickly as possible. The time limits have also increased attention on sustaining employment to minimize the number and rate of people cycling back onto the welfare rolls. In response to these developments, a variety of approaches to welfare reform have been implemented in the nonprofit sector. This case study provides a two-pronged analysis of one such nonprofit's involvement in welfare reform. It includes the dynamics of (1) entrepreneurial spirit in creating an unusual intervention to help women on welfare obtain jobs, with the strong engagement of the local employer community, and (2) organizational change to respond to the internal and external forces that affect the evolution of a new agency.

Founded in 1992 and located in downtown Seattle, Washington Works provides an illustration of the various issues nonprofits may encounter as they develop and adapt to a changing world. The organization distinguished itself early on by building strong positive relationships with local employers and securing participants job placements with above-average starting salaries. The founders were "work first" visionaries in many ways: they recognized that women needed to be self-sufficient; they incorporated employer needs into their program design; they committed their program to assisting women on welfare to obtain jobs that paid enough and provided sufficient benefits to enable them to cross the poverty threshold; and they focused on job retention by offering multiple post-placement services. At the heart of their vision was a philosophy of "personal

1. A subsidized job is one for which the government subsidizes an employee's salary for the employer.

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transformation" that drove the program activities and emphasized the organization's goal of going beyond job search assistance to help women turn their lives around.

Despite its early achievements, Washington Works has encountered some significant problems during its evolution: (1) the organization initially alienated itself from the Department of Social and Health Services (DSHS), the state's welfare agency and a major source of potential program referrals and potential funding, and (2) it experienced an internal administrative conflict that resulted in considerable turbulence inside the organization. Yet, despite these problems, Washington Works has prevailed.

The case study presented in the following pages offers lessons to others who are considering similar initiatives to help women make the transition from welfare to work. The 12 major lessons include the importance of:

- establishing and preserving a core mission;
- cultivating and sustaining a positive relationship with employers;
- obtaining employer input in program design;
- building positive relationships with public agencies;
- defining the roles of Board members and clarifying the division of responsibilities with agency staff;
- developing linkages to the larger community;
- assessing and getting feedback on the program continuously, and making policy and program adjustments along the way;
- understanding and managing tensions between visionary or strategic thinkers and day-to-day administrators;
- establishing funding stability;
- developing uniform data-reporting standards;
- recording program history and maintaining participant data; and
- preparing for expansion and success.

THE INSPIRATION FOR WASHINGTON WORKS

Virginia (Ginny) Gilder, who created Washington Works, got her inspiration in March of 1991, when she met the birth mother of her adopted son. The birth mother, who had one child living with her, told Gilder that she had not wanted to subject her children to the struggle of growing up with so little, and she doubted that—given her limited education and financial resources—she had the capability to raise both of them on her own. The conversation had a powerful effect on Gilder, transforming what had been a generalized understanding of poverty into a particularized and personal one. As a result, she began to think seriously about the lack of choices many mothers in poverty have, and she began to ask herself how it might be possible to help these women improve their lives. The answer, she thought, involved helping single parents reinvent their futures—not just find a job.

Having recently completed her "personal transformation" training (see box, page 4) and having earned an M.B.A., Gilder was anxious to start her own for-profit company, one that would use the strengths of the private sector—marketing and customer service, specifically—to address an issue of critical national importance. She believed that the bottom-line orientation of the for-profit world could help to produce objective results in the welfare-to-work arena, and she began to envision a company that used both a business approach and personal transformation training to get welfare recipients into jobs.

Getting Off the Ground

Initially, in order to gain a foothold for her new venture, Gilder was advised to lobby the Washington state legislature to support performance-based contracting for placing low-income individuals in jobs. She spent nearly a year undertaking this challenge, to little avail. Washington State has a strong tradition of support for organized labor, and the state legislature viewed contracting out, regardless of the service, negatively. They were particularly concerned about the implications of contracting out services to poor people, especially through a for-profit agency. As Gilder comments, "I had no credibility with anyone in the welfare arena. NOW [National Organization for Women] pushed against it, and I was quickly viewed as someone who was in it for the money." Gilder responded with a counterattack, publicly stating that DSHS was not doing its

The Personal Transformation Approach

Personal transformation training originated in the 1950s. Traditionally, it has been geared toward leaders in the private and public sectors to help them develop such skills as articulating a vision, bringing an idea into existence, and achieving difficult goals involving dramatic change. A fundamental principle of personal transformation training is that by thinking beyond existing views and limits, people will have a better chance to achieve fulfillment, excellence, and success both in their personal and in their professional/community relationships.

The challenge for the founders of Washington Works was to take this principle designed for leaders and upper-echelon management and apply it to individuals with considerably less work experience and considerably more barriers to achieving their goals. The personal transformation approach, as modified by Washington Works, includes an inquiry-based dialogue, in a group of 25–30 welfare-dependent mothers. In this dialogue, each woman tries to think about a time in her life when she didn't feel as if she were somehow "less than" the women who have husbands or jobs or money. In doing so, she can begin to remember what events made her change her mind about herself. She can retrace her steps and actually question the validity of those beliefs. These steps are taken in a "Personal Effectiveness" program where each woman begins to remember that she is capable, she is worthy, she is committed, and she has something to contribute.

SOURCE: Theresa Smith Strange, "Washington Works: A Pathway from Welfare to Work 1996," September 1995. See, also, www.landmark-education.com.

job in getting welfare women employed, and challenging the agency to show evidence to the contrary.

In March of 1992, as it became clear that the state would not grant any performance-based contracts in the welfare arena, Gilder modified her approach. She teamed up with Marnie Gustavson and Theresa Smith Strange, two local women who shared her belief that personal transformation training could help poor single mothers find good jobs and begin to turn their lives around. Marnie Gustavson was interested in developing a curriculum in the area of personal transformational thinking and Theresa Smith Strange came with a background in advertising and marketing. With no expertise in the operation of welfare programs, the three women set out to start Washington Works, with Ginny Gilder at the helm as Executive Director, Marnie Gustavson as Program Director (responsible for curriculum development and teaching), and Theresa Smith Strange as Development Director. Given Gilder's failed lobbying efforts, they realized that if they wanted to help welfare recipients begin to improve their lives and gain employment, they could do it only by founding a nonprofit organization. Their first major hurdle was finding financial resources. Gilder raised over $100,000 to fund the initial program design phase. Each of the

founders approached people they knew whom they thought would be willing to take a risk on their idea. They sent letters asking for help, and many people responded with significant contributions ranging from $1,000 to $10,000 each.

The founders recognized that, for their program to succeed, they would need employer commitment. Gilder began cold-calling human resource directors of local businesses who were currently advertising multiple entry-level job vacancies. She asked whether they (along with other local employers) would be willing to provide input that would help Washington Works devise program curricula for training individuals to work in entry-level jobs. Although some employers were not interested or could not commit the time, Gilder identified several employers who either welcomed the opportunity to contribute their input or were at least willing to attend a meeting to learn more about Washington Works' objectives. Gilder began holding breakfast forums with employers, asking them what they needed to be able to commit to providing welfare recipients with a job opportunity. The consistent response was that they needed dependable and reliable workers who would stay on the job at least a year.

Gilder's original vision was to increase the economic stability of single mothers not simply by getting them jobs, but by providing them with career ladders and the means to climb those ladders. From the inception of Washington Works, she sought to place participants in full-time jobs in clerical/administrative support or customer service. The organization's goal was to place graduates in positions offering at least $7.00 per hour with full medical benefits.

Developing the Training

Working from the three founders' assessment of employers' needs, and from her knowledge of personal transformation training, Marnie Gustavson developed an instructional training approach based on a three-module framework that was to span slightly more than five months. Module 1 included instruction in personal effectiveness, with an approach based on personal transformation training; Module 2 provided occupation-specific training (computer and clerical skills); and Module 3 consisted of job-search training (résumé-writing and interviewing skills). The program mirrored job situations, exposing participants to patterns that exist in a full-time, work-related setting. The sessions, which Gustavson taught, ran from 8:00 A.M. to 3:00 P.M., Monday through Friday, and participants were required to wear professional attire, except on Fridays. (Today, Washington Works maintains an on-site closet of donated clothes.)

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All three modules were based on the founders' beliefs in self-empowerment and personal responsibility. On self-empowerment, Gustavson says, "The welfare system was one that wanted them [welfare clients] to follow a very simplistic manufacturing line—we tell you what to do and you do it. When you do this, you disempower and they [clients] blame you when things do not work out. Washington Works recognized them as individuals who are responsible for their own lives. I designed a system of mentorship where people will be there to talk through the solutions. But, it's not the staff's responsibility to get them a job or make their decisions." Washington Works emphasizes holding both clients *and agency staff* accountable for their actions: clients need to assume responsibility for what happens to them, and staff have to do what they say they will do.

By fall 1992, operating from a garage and equipped with a common mission and local employer advice, Washington Works was ready to launch their program. Now all they needed was participants. DSHS staff were reluctant to send clients, for whom they were accountable, to Washington Works—from DSHS's perspective, Washington Works was a brand new agency claiming to have a magic bullet—so the founders decided to do their own recruiting. Theresa Smith Strange and Ginny Gilder printed flyers and distributed them at churches, low-income housing developments, and other places in the community. They also gave interviews on local radio stations and they hired a recruiter from the community who went door-to-door in the low-income housing developments trying to convince welfare clients to give Washington Works a try.

In November 1992, Washington Works' first effort—labeled Course A—began with 15 people. Most of the group were the "lost causes" of social services' caseworkers—women who were heavily drug-dependent, unmotivated, and not particularly interested in changing their way of life, but who decided to try the program in response to Washington Works' persistent recruiting efforts. At the end of the course, 4 of the 15 got jobs; an additional 4 reported increased feelings of self-worth, but did not gain employment. The other 7 either quit or were terminated from the program because of attendance violations. As Theresa Smith Strange reflected, "They were training us. We had a laboratory and an opportunity to be trained. We were not satisfied with our results—anecdotal accomplishments—[and] we experienced our own level of transformation."

Following their Course A experience, the founders of Washington Works modified the content of Course B, which began in June 1993. They adjusted the course modules to better fit the needs of the group by, first, assessing the strengths and weaknesses of each student and, then, determining the appropriate course content mixture. The founders of Washington Works quickly found their niche: assisting women on welfare *who have basic education skills* overcome multiple barriers to employment via personal transformation. Acknowledging that nearly all entry-level clerical jobs with Seattle's employer base required a high school diploma, and recognizing their

limited training capacity given their limited staff, the founders developed the following criteria for program participation: clients must be female, at least 22 years of age, have a high school diploma or a General Educational Development (GED) certificate, *and* demonstrate proficiency at the ninth-grade level. Those criteria allowed the founders to develop a program for women on welfare who had basic educational skills but still faced serious barriers to employment. Washington Works also implemented a strict attendance and punctuality policy: participants who had more than five "occurrences" (i.e., were absent or late or left early more than five times) during the 12 weeks of training were automatically suspended.

Beginning with Course B, the new attendance and punctuality policy was put in place and each subsequent course started directly after the previous course ended. Constant internal program evaluation and the implementation of needed changes became a standard part of Washington Works' activities. With increasingly better results, the personal effectiveness training and the emphasis on self-empowerment and personal responsibility quickly became the hallmarks of Washington Works.

Gaining Credibility with Employers

In the meantime, focusing on their strong ties with the employer community, Washington Works had hired an Employment Director in February 1993. They selected Alan Preston, a recent M.B.A. graduate with previous experience in community and grant development. Preston set out to establish credibility for Washington Works. Utilizing America Works' employer-focused strategy and Cleveland Works' placement and retention model, Preston began talking with employers one-on-one.[2] He asked them for information on how Washington Works could best be a resource for the employer community. Soon thereafter, Preston developed an Employer Advisory Council (EAC) consisting of 15–20 major employers. These employers represent a diverse cross-section of businesses and industries including retail, health care and medicine, banking and finance, restaurants, journalism, law firms, government, and temporary agencies. The EAC's job is to advise Washington Works on job skills training and public relations, and its members are under no obligation to hire participants from Washington Works.

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2. America Works is a for-profit job-placement agency for welfare recipients. Cleveland Works is a nonprofit, performance-based employment and training program that combines short-term job-readiness and occupational training with job development, job placement, and job retention services.

The EAC advised Washington Works to avoid acting as a case manager—that is, calling employers when they had a placement need. Instead, they suggested that Washington Works treat employers as "customers" by (1) serving as a resource for employers to use when they are hiring; (2) effectively pre-screening and sending only qualified applicants—even if that meant sending no one; and (3) focusing on placement and especially on retention—in contrast to many of the then-current Job Training Partnership Act (JTPA) contracts,[3] which focused primarily on short-term, low-cost placements. The EAC's focus on job retention was intended to reduce employers' need to constantly retrain their entry-level work force.

The EAC members expressed positive comments about Washington Works. "They are a group of people who are very committed," said one. "They are excited and flexible. They provide excellent response—they return phone calls. They ask employers for specific feedback on curriculum, and the changes come through. I like the good work ethic and professionalism of their participants. They understood [that] I couldn't compromise on that."

Following the advice of the EAC, Washington Works began building credibility in the employer community and began marketing its services to area employers. Preston's strategy was to honestly represent Washington Works to employers, remaining mindful not to overpromise on their ability to meet employers' needs. Washington Works would act as a job broker, pre-screening candidates and reducing hiring costs for employers. Two pools of employers emerged. The first group wanted to diversify their work force and were willing to hire qualified applicants from low-income families as long as they did not have to lower their company's hiring standards. This group formed the major component of Washington Works' employer-customer base. The second pool consisted of those employers who had negative feelings regarding welfare clients in general, and about racial minorities in particular. With a large employer base in Seattle, Preston decided not to work with employers who could not abandon their stereotypes.

An Emphasis on Job Retention

From the beginning, Washington Works recognized that job retention is linked to ongoing family stability. A Volunteer Advocates Program, which had been laid out in Washington Works' initial design plan, matches participants to community volunteers who are committed to providing mentoring, emotional support, and career guidance once the participant gets a job. Potential volunteers are recruited via the EAC, Board members, Washington Works' staff, program graduates, and community advertisements. The primary task of the volunteer advocate is to provide one-on-

3. JTPA is the country's employment and training system.

one support and guidance and to encourage participants to fulfill their commitments. Participants can call on the volunteer advocates with concerns, and the advocates will gently remind them that they can jeopardize their future if they become sidetracked. After completing a one-hour orientation, two weeknight training sessions, and three daytime meetings in which the volunteers meet with the students during class to discuss the program, each volunteer is expected to have weekly phone calls or meetings with his or her participant for the first four to six months following initial job placement.

In 1995, Washington Works expanded its Volunteer Advocates Program to include the more formal Graduate Services Program, which emphasizes education planning and career advancement strategies and techniques. This program is designed to assist the graduates of Washington Works in achieving such goals as repairing negative credit status, purchasing a home, pursuing a college education, expanding day care options, or buying a car.

According to cumulative program data (November 1992–September 1997), Washington Works has a program graduation rate of 75 percent, with 56 percent of this group obtaining employment within 90 days of graduation (this increases to 74 percent within six months).[4] Washington Works defines a placement as 20 hours or more per week in a permanent job. The average starting wage of Washington Works' graduates is $8.35 per hour, and 73 percent of their program graduates remain employed at 90 days post-hire.[5]

Client Recruiting and Staff Development

As their budget and course demands increased, Washington Works began to hire staff who were closely connected with the welfare community, including graduates of Washington Works, to serve as recruiters. The founders' methods of media advertising often failed to reach their client base, and their relationship with DSHS remained rocky. The Washington Works recruiters maintained a high visibility in the community, recruiting at churches, nightclubs, and low-income housing developments. Their most effective recruiting tool became word-of-mouth, especially from program course graduates.

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4. Data provided by Washington Works as of October 6, 1997 (n=474).

5. Data provided by Washington Works (includes October 1996–July 1997).

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In addition to their recruitment efforts, Washington Works receives client referrals from JTPA and DSHS. The client base from each source—DSHS, JTPA, and the community—is considerably different. Generally speaking, DSHS referrals have more barriers to employment and are less motivated at program entry compared with the others; JTPA referrals are in the middle; and community referrals are the most motivated, having witnessed the positive impact of Washington Works on the lives of their friends or relatives.

As the staff of Washington Works increased to include job search coordinators, recruiters, case managers, job retention specialists, community relations coordinators, and technical trainers, communication among staff and course reassessment were the norms. For example, a job search coordinator would meet each participant beginning the program, to better understand individual participants' employment strengths and weaknesses. Since its inception, Washington Works has designed its course curriculum to meet the particular barriers and needs of the students.

Department of Social and Health Services

Although the results from Course A were disappointing to the founders, as a result of the course a few caseworkers at DSHS began to learn from course participants about Washington Works' approach and its commitment to disadvantaged women. They also began to notice positive changes in the outlook of Washington Works' participants. These few caseworkers began referring some clients to Washington Works.

Staff at DSHS found that Washington Works was willing to work with their most difficult clients. Despite the age and educational criteria, Washington Works still had many clients with multiple barriers to employment including a history of drug use, physical abuse, alcoholism, incarceration, and "extremely poor attitudes and outlooks on life," according to one DSHS staff member. As Rick Krauss, Regional Jobs Coordinator, recalled, "Although the approach of Washington Works [toward DSHS] made for a rocky beginning, they stuck with our clients. It was a place to send many clients who were harder to serve and see improvements."

But, some tensions still existed. According to DSHS staff, Washington Works continued to externally recruit DSHS clients, and, as a result, some clients started the program without DSHS's supportive services, such as child care or transportation assistance. Also, Washington Works did not consistently report to DSHS when a client discontinued the program, which made it difficult for DSHS to monitor clients' progress as required under the then-current federal Job Opportunities and Basic Skills Training (JOBS) program.

Under the JOBS program, federal funding was available through third-party match contracts.

Local contractors, who provided 40 percent funding, were eligible to receive the remaining 60 percent from federal JOBS funds. In FY 1994, Washington Works received $324,000 in JOBS funding from DSHS and provided $216,000 in matching funds. In FY 1995, as a result of significant reductions in the amount of federal funds available, Washington Works received $80,100 from DSHS and provided $53,400 in matching funds.

According to DSHS data, in FY 1994 Washington Works had a 33 percent placement rate with an average hourly starting wage of $8.42.[6] In FY 1995, they had a 41 percent placement rate with an average hourly starting wage of $9.53 per hour.[7] Krauss elaborated, "Washington Works has a comprehensive program with a difficult caseload. As the wage data indicate, when things work, the outcomes are very enhanced. People were getting better jobs with higher wages."

Securing Program Funding

The founders' original program design allowed for only minimal government funding because they wanted to be driven by their innovative vision and to retain their autonomy and creativity in designing a program and setting its goals. As a result, they began to turn their attention toward foundation fund-raising efforts. Initially, Washington Works received support from Boeing Good Neighbor Fund and the Medina Foundation. In addition to their foundation funding, Washington Works' founders secured considerable support from individual East Coast funders. They soon realized, however, that because much foundation funding is seed money or time-limited, their program would need to compete for and secure public funding as well—which, although it generally comes with more "strings attached," is also more stable. Other foundations, such as the Charles Stewart Mott Foundation and the Hearst Foundation, wanted to augment Washington Works' public funding base.

Public Funding

In 1992, less than four weeks away from a proposal deadline, the founders of Washington Works became aware of a Private Industry Council (PIC) Request for Proposals (RFP) for job placement of welfare recipients. They submitted a proposal and, although it was not funded, writing it gave

6. For FY 1994, total enrollment in Washington Works was 115; 90 completed training.

7. For FY 1995, total enrollment in Washington Works was 117; 105 completed training.

them the opportunity to articulate their plan of action. The founders later met with PIC personnel to discuss the weaknesses of their proposal and to gain suggestions for future proposal submissions. Over the course of these conversations, members of the PIC began to learn of the comprehensive commitment of Washington Works staff from program participants interacting with JTPA staff (for whom the PIC administers funds). They also learned of the organization's job placement success: In the summer of 1994, the PIC issued a competitive RFP for providing training services to economically disadvantaged adults. Washington Works submitted a proposal, received $245,662, and was approved for biennium funding, receiving $272,958 in program year 1995.[8]

The PIC funding was provided on a cost-reimbursement basis at specific performance benchmarks. JTPA data from the FY 1994 contract indicate that Washington Works had a 58 percent placement rate, $339 average weekly earnings, and 79 percent employed at 13 weeks follow-up.[9] For FY 1995, they had a 50 percent placement rate, $314 average weekly earnings and 50 percent employed at 13 weeks follow-up. In FY 1996, Washington Works had a 63 percent placement rate with $321 average weekly earnings.[10]

ADMINISTRATIVE FLUCTUATION AND RESTABILIZATION

Within four years, Washington Works experienced steady growth and improved performance. According to Washington Works' self-reported data, they went from serving 15 women in the fall of 1992 to 250 women in 1996; from an average starting wage of $7.93 per hour to $8.53 per hour; and from a placement rate of 26 percent to 66 percent. Their annual budget for 1996 was over $1 million and their staff had grown from 3 to 24. Additionally, Washington Works

8. A "program year" (PY) runs from July 1 to June 30.

9. JTPA data were provided by the Seattle-King County Private Industry Council. "Employed at 13 weeks follow-up" does not include job retention or job change. Estimate based on a sample that tends to vary in size. Data provided to JTPA by a third-party evaluator.

10. Reported job placement data from DSHS, JTPA, and Washington Works vary. This variation may be caused by (1) differences in placement definitions, and (2) differences in the client base. A JTPA "placement" means a participant is employed for at least 20 hours per week for seven consecutive days. (The denominator includes participants who do not complete the training program.) A DSHS "placement" means a participant is employed 20 hours or more each week for at least one week (although the assumption is that the job is a permanent position). (The denominator includes those who do complete program training.) A Washington Works "placement" means a participant is employed 20 hours or more per week in a permanent job.

received great local press coverage. In the beginning of 1996, Washington Works began gaining national attention as they were considering program replication in other Washington locations and expanding their services to men. By the end of 1996, however—as their reputation was growing—their internal leadership was experiencing increasing divisiveness. The viability of the organization was in serious jeopardy.

The founders recognized in establishing Washington Works that the life-span of a founding Executive Director is typically about five years. They understood that their strength was in their collective vision as pioneers, creators, and seekers of change. They would establish and sustain the organization and, then, as part of the organization's natural dynamic, hire new staff to fill their positions, maintain stability, and advance their vision.

Theresa Smith Strange recognized that her responsibilities at Washington Works increasingly included contract management, and she was more interested in developing her creative side. "I didn't feel that if I left [Washington Works] it would go away," she recalled. "Training materials had been developed and more and more people were in the fold, participating in the success. We all knew that, for the betterment of the organization, we would eventually need to leave."

In 1995 Theresa Smith Strange left to pursue other commitments. In early 1996, Ginny Gilder and Marnie Gustavson were still in their positions at Washington Works as Executive Director and Program Director, respectively, but their visions of growth began to conflict with each other. Gilder supported program replication and expansion, while Gustavson concentrated on deepening the training curriculum. The Washington Works staff began to divide along these organizational differences, as well. Gilder and the fifth-floor staff devoted much of their time to development, external program expansion, and replication. Gustavson and the staff on the second floor, who were interested in replication, believed that the way to achieve it was to devote more financial resources to training additional course leaders. Today, Gilder characterizes the organizational split as a natural result of Washington Works' transition from an entrepreneurial effort to an ongoing operation—and she says that the need to standardize processes clashed with the program development efforts. Gustavson was also handling a lot of day-to-day administrative and management tasks at that point.

As the year progressed, Gustavson and Gilder found it more and more difficult to establish the boundaries of their positions and, in effect, there were two leaders of Washington Works. Gustavson left and established Creative Economic Opportunities (CEO), a for-profit agency in downtown Seattle that, like Washington Works, is committed to personal transformation, skills training, and job placement for public assistance recipients. Several Washington Works staff left with Gustavson to initiate this new venture with her.

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The Board of Directors Steps In

Washington Works' Board of Directors was established at the agency's founding, with Bix Bickson, owner and founder of an independent consulting firm, appointed as the Board's president. During the early years, they were a prototypical founders' board—they did not heavily question the operations of Washington Works and, with the program's success and growing visibility, they felt confident about the decisions of the organization's founders. Some Board members had known Gilder and Gustavson before the founding of Washington Works and respected their judgment.

In 1996, under the leadership of the current Board president, Nicole Piasecki, Senior Manager of Sales Operations at Boeing, the Board began to question the management operations of Washington Works. Many areas—for example, the agency's accounting system and its human resources policies—were yet to be developed, which the Board found unacceptable. Although the budget of Washington Works had grown to $1.1 million, in September 1996 it looked as if the organization would not meet its end-of-year revenue targets (although, in the end, it did meet those targets). The Board demanded that management find ways to cut their budget, but Gilder and Gustavson had difficulty agreeing on a plan. Gilder also recognized that her strengths were in creating and implementing a vision, not day-to-day administrative tasks, and she concluded that, for the betterment of the organization, Washington Works needed new leadership. Gilder left the organization as Executive Director in October 1996 and joined the Board of Directors, on which she served until February 1997, when she resigned completely from Washington Works.

During this internal management conflict, the Board of Directors stepped in and kept the organization going. They hired a crisis management consultant and met nightly to resolve existing tensions and take actions to ensure that the ongoing operations of the organization were not threatened. The Board created forums to listen to the staff and program participants.

In November 1996, the Board hired Jeanne Anderson, a professional interim director, to step in until a new executive director could be hired. Anderson set out to thoroughly examine the operations of Washington Works and make recommendations to the Board, who authorized her to do whatever was necessary—including cutting back on staff—to save and stabilize the organization. In attempting to produce a leaner, more efficient Washington Works, Anderson made substantial personnel changes within the organization. When Anderson arrived, there were 23 staff employees; by March of 1997, the staff was down to 15, most of them new to Washington Works. (Not all of the original staff had been terminated by Anderson, however; some people were hired by CEO, and some just left the organization.) Anderson comments that, "The salaries were higher than the market and there were a lot of underemployed full-time staff." Anderson also devoted attention to

staff morale. For example, she changed the physical atmosphere to promote interaction between administrative and curriculum staff by moving some employee offices from the second to the fifth floor.

Rebuilding

Under the direction of Anderson and with guidance from the Board, Washington Works set out to rebuild itself. The goals of this rebuilding effort included stabilizing the organization, ensuring the ongoing quality of program services, and preparing Washington Works for the consequences of welfare reform. The federal passage of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act forced the agency to become informed on policy changes and to redesign the program to be more consistent with the legislation.

One of the first things Anderson did was hire a former employee, Vaughnetta Jenkins, as Employment Director. Jenkins brought several strengths to Washington Works. Having worked there as a trainer from May 1995 through July 1996, Jenkins was familiar with the training framework of the organization but had not been involved in the internal conflict.

During her first three months on the job, Anderson also concentrated on building a positive relationship with DSHS and other public agencies that had become alienated from Washington Works at its founding. Although the organization had been successful in obtaining a contract with DSHS, the perception of Washington Works as an "arrogant" agency remained. "We [Anderson and Jenkins] humbled ourselves and bent over backwards to change their [outside agencies'] perception of Washington Works," stated Anderson. "There was an unnecessarily adversarial relationship with DSHS and we set out to change this. The hostility was overwhelming. We listened to their suggestions and were responsive to their concerns." Anderson says that they presented Washington Works as an agency interested in collaboration, and they attempted to play down the perception of arrogance.

Washington Works faced other difficulties as 1996 drew to a close. The PIC notified the agency that they had billing errors, and they requested a meeting with Washington Works to discuss its billing practices. During the meeting, the agency's business manager resigned, prompting the PIC to call for a complete audit of Washington Works. The Independent Auditor's Report listed reportable conditions, most often citing ineffective safeguards for internal management and financial control.

Once Anderson hired a new business manager and developed a strong Treasurer and Finance Committee on the Board, many of the internal financial control issues were resolved. Washington Works provided a written response to the audit, accepting the findings and recommendations and

noting that "several of the significant deficiencies and control issues identified in the report have now been addressed or were corrected in the course of the audit process." For example, Washington Works lacked a key element of internal financial control—a cost allocation plan (CAP). A CAP has now been developed, with input from the Private Industry Council, the auditors who conducted the 1996 audit, and other nonprofits receiving federal contract dollars. After implementation of the CAP, invoices were created for January through June 1997 and no inaccuracies were found.

The PIC decided to re-fund Washington Works on a six-month probationary basis beginning July 1, 1997; however, it is clear that if Washington Works continues to perform at its current levels they can expect to receive a full 12-month (July 1–June 30) contract from the PIC.

In the middle of this internal conflict, the staff had to operate Course Q. Although course participants were aware of the organizational turbulence at Washington Works, the instructors maintained their focus. As the course leader commented, "We just kept doing our job. We recognized our commitment was to the women and we were to be here for them. We left our sadness at the door."

Finally, the Community Relations and Volunteer Coordinator, on board at Washington Works before the internal turmoil began, remained steadily committed to maintaining excellent public relations. In May of 1997, a public photography exhibit, entitled *For Her Own Welfare: 24 Hours Witnessed*, displayed 32 photographs detailing the "transformation" of three Washington Works graduates. The exhibit was very well received and is scheduled to be displayed in the state's capitol city of Olympia. The Puget Sound Chapter of the Public Relations Society of America selected Washington Works as their "Philanthropic Partner" for 1997, and created a new logo and image for the organization that highlights its strengths and its emphasis on collaboration under its new leadership.

WASHINGTON WORKS: AN UPDATE

As of fall 1997, Washington Works offers an intensive, 12-week training program (8:00 A.M.–3:00 P.M., Monday through Friday) for qualified women who receive support from TANF. The program begins with a four-week course on personal effectiveness that addresses work maturity, dependability, responsibility, and professional behavior. This is followed by a seven-week intensive course with modules on customer service, computers, administrative skills, and basic

skills (reading, writing, and math). Washington Works has, in addition, partnered with Renton Technical College to train women as Hospital Nursing Assistants. Finally, there is a one-week job-readiness course covering résumé writing and job search. Students must have a GED certificate or a high school diploma, and/or ninth-grade skills competency to begin the basic program, but there is a "pre-course" designed to assist students in meeting these requirements.

The organization remains committed to the founders' initial vision of personal transformation, which employs critical self-reflection and self-examination as the medium through which change is achieved. Their approach has been described as "rigorous compassion."

Those who successfully complete the requirements of the training program then move into the job search component. After obtaining employment, participants enter the Graduate Services program, which offers job-retention support, career and education planning, and transitional support—including the Volunteer Advocacy program and less formal channels such as getting advice from program graduates and staff—to help participants make the transition from welfare to work.

Program Participants and Graduates

The average Washington Works participant is 30 years old, has two dependent children, and has been on welfare for over five years.[11] In Washington State, 70 percent of welfare recipients are Caucasian, 11 percent are African American, and 8 percent are Hispanic.[12] Washington Works has primarily served a minority population; over half of the agency's participants are African American, about 22 percent are Caucasian, and 4 percent are Hispanic. Washington Works is trying to diversify its clientele by expanding its advertising and recruiting strategies to more accurately represent the welfare community of Seattle.

Informal conversations with participants and graduates reveal substantial satisfaction with Washington Works' approach. One graduate, who is currently employed at Washington Works, reflected that she had attempted, but not completed, other programs before coming to Washington Works. "Other programs were more of a school. [Washington Works] made you concentrate on who you are, what you are doing, and how you can change that. It made you think and become more confident."

Many Washington Works participants have secured clerical, customer service, or administrative positions with local employers including Nordstrom's, Safeco, Connext, Microsoft, and Seafirst Bank. Graduates are also able to make independent decisions about their careers and are not required to accept the first job they are offered. As one graduate recalled, "When looking for a

11. Data provided by Washington Works.

12. Data provided by Washington Works.

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job through Washington Works, I rejected three job offers, because they did not offer benefits, the wages were too low, or the hours did not work for my family. I am very confident in the position I have. It allows me the opportunity to grow within the company, the pay allows me to support my family, and I am building a career."[13]

Current participants, newly enrolled in the personal effectiveness training, enjoy the program and seem to appreciate the straightforward approach of Washington Works. "A friend told me that they were really serious about the attendance policy here, and they are. If I want to get something out of this program, I can. It's really up to me," remarked one program participant. Some participants find the program's attendance policy and dress code too strict, however: "Many jobs allow their workers to use flex time. We should be able to do that here." Although Washington Works tries to simulate real job experience as much as possible, some things (such as flex time) are difficult to coordinate with a time-limited training schedule and a limited number of instructors.

On June 19, 1997, Washington Works had its fifth-year commencement ceremony. Attended by all three founders, it was a formal and uplifting event—graduates in robes, families cheering, and participants and staff exchanging hugs. A simple statement rang clear: Despite growth, turmoil, and future changes, Washington Works is rock-solid in its belief in the power of personal transformation.

Relationships with External Actors

Public Agencies

Washington Works' relationship within the public-sector community has improved. Anderson's and Jenkins's outreach to local public agencies helped alleviate tensions and allow these relationships to begin anew. From a programmatic point of view, DSHS maintains that Washington Works produces mixed results and sees the agency's primary strengths as a willingness to get involved with all aspects of their clients' lives through the use of extensive case management, rigorous attendance requirements, a clear mission, and the excellent training they provide in office and administrative skills. Areas that still need improvement include communication with DSHS regarding client status; DSHS claims that Washington Works staff do not always report when someone drops out of their program. And, it remains to be seen how well Washington Works will fare under the 1996 welfare reform law, which will likely require many service providers to reach more extensively into the harder-to-serve population.

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13. TANF's guidelines are unclear about the extent to which welfare recipients can reject job offers. They can refuse a job based on "good cause," but "good cause" is not clearly defined.

Washington Works' relationship with the Seattle-King County PIC continues to be favorable despite its probationary status. The PIC found Washington Works very responsive to its suggestions and open to receiving technical assistance in order to improve their reporting procedures. The PIC Board is concerned, however, about Washington Works' ability to meet its placement goals after experiencing so many internal struggles.

Washington Works has also worked with the Seattle Housing Authority (SHA) to recruit program participants by designing an informational flyer and distributing it to low-income housing residents with their rent bills. SHA is impressed with the results of Washington Works and hopes to work with them in the future in a partnership capacity. However, SHA notes that Washington Works' initial approach made it very difficult for public agencies to cooperate with them.

EMPLOYERS

Washington Works continues to maintain strong relationships with their customer employers. Employers continue to be attracted to Washington Works because (1) they offer no-fee services to the employer; (2) their mission is clear; (3) they effectively pre-screen applicants; (4) applicants have excellent basic skills training and demonstrate professionalism on the job; and (5) employers can easily communicate with Washington Works staff if a problem arises, on an as-needed basis. Together, these attributes result in reduced hiring time and costs for employers.

The Employee Advisory Council needs additional attention from Washington Works. At recent meetings, members of the EAC report a lack of follow-through from agency staff. Employer attendance at EAC meetings is also declining. Although the EAC members understand the impact of the internal changes at Washington Works, they are ready to resume and plan for employer involvement during this time of welfare reform.

Inside the Agency

Welfare reform has caused Washington Works to reevaluate its program. In response to the 1996 welfare reform law, and with most TANF guidelines becoming effective July 1, 1997, Washington Works has continued to redesign its program to fit into the new policy environment. In particular, TANF offers significantly less support for education and training than was previously allowed under JOBS, and job search and job-readiness assistance is limited to a total of six weeks (with no more than four consecutive weeks). In response to these changes, Washington Works plans to expand its core, the personal effectiveness training component, from four to five weeks. They are also planning to form partnerships with area employers to provide on-the-job training, and they

anticipate linking many graduates with jobs from their training-site employer. The details of providing on-the-job training through Boeing are currently being finalized.

According to the Balanced Budget Act of 1997, at least 70 percent of an entity's formula grant (i.e., funds based on a formula calculation) or competitive grant funds must be spent for TANF recipients who meet both a "barriers to employment" test and a "TANF/AFDC receipt test."[14] The individual must have at least two of the following three barriers to employment: (1) not having completed secondary school or obtained a GED certificate *and* having low skills in reading or mathematics; (2) requiring substance abuse treatment before obtaining employment; or (3) having a poor work history. Washington Works' minimal educational requirements (a high school diploma or GED, and demonstrated proficiency at the ninth-grade level) were effectively screening out recipients who would meet the statutory targeting requirements. Thus, the agency had to reconsider its criteria for accepting participants.

The funding structure of Washington Works continues to be diverse. According to 1996 JTPA data, Washington Works' per-client costs range from $5,000 to $7,000. Washington Works currently operates with a budget of $775,000. Forty-five percent of its funding is from two government contracts (JTPA and DSHS). The remaining 55 percent is from individuals and foundations. The agency's future funding plans include expanding its local donor base as its national funding base declines.

Washington Works continues in rebuilding efforts while planning for its future under welfare reform. Anderson resigned in September 1997 to accept other employment and Tom Donlea, the organization's business manager, is now serving as interim director. In addition, the agency employs an employment director, program administrator, development officer, business manager, course leader, case manager, recruiter, job search coordinator, technical trainer, community relations coordinator, administrative and development coordinator, two job-retention specialists, and a receptionist. The Board is searching for a permanent executive director for Washington Works. This selection will be important as Washington Works continues to rebuild its reputation with external agencies and considers new directions for program development.

The Board of Directors Evolves

The role of Washington Works' Board of Directors needs to be clarified in order to facilitate more focused steering of the organization. Some Board members and Washington Works staff perceive

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14. For a complete discussion, see Mark Greenberg, *Welfare-to-Work Grants and Other TANF-Related Provisions in the Balanced Budget Act of 1997* (Washington, D.C.: Center for Law and Social Policy, August 1997).

the Board as exercising strong governance, setting policy for the organization, providing overall strategic guidance, and holding management accountable for plans and targets. Others see the Board as a group of micro-managers of the internal operations of Washington Works.

Although the Washington Works Board of Directors does not have member term limits, they have informally rotated members since its inception, generally inviting new members as others resign. The Board is currently considering implementing time limits and ratifying revised by-laws. In 1995, Washington Works added its first program graduate candidate onto the Board as the organization attempted to diversify the Board's composition to more closely reflect the characteristics of their clientele.

Although it is still early in this process, tension appears to exist between old and new Board members. Having worked together intensively to stabilize the organization, older Board members feel a personal attachment to Washington Works. Newer Board members who were not involved in saving the organization as it grappled with its internal fluctuation report feeling somewhat alienated from the older members. As a newer Board member summed up, "We don't share your trauma." Recognizing that the Board was going through a "post-crisis" adjustment period, and recalling the devastating effects of internal divisiveness, in June 1997 they temporarily suspended the addition of new Board members while they focused on restabilization and on developing much-needed training for new Board members. Most recently, a new Board member was approved in September 1997, and other prospective Board members are being actively recruited.

LESSONS FROM WASHINGTON WORKS

The experiences of Washington Works provide important lessons including the need to:

- **Establish and preserve a core mission**. From its inception, Washington Works has been consistent in its mission. The staff are committed to creating career opportunities for women on welfare through self-empowerment and personal responsibility. Even during times of internal instability, the quality and nature of the personal effectiveness training and subsequent activities were preserved. The agency's strong commitment to and its ability to clearly articulate its mission are among its major attractions.

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Washington Works demonstrates its mission by example. As visitors enter the premises, the agency's purpose is clearly expressed through the "wall of fame" that displays pictures of program graduates; Board members are expected to arrive promptly and be in attendance at all Board meetings; and Volunteer Advocates from the community are extensively trained to help participants beyond job search. All these efforts are based on the core assumption that program participants are more likely to modify their behavior if they are in an environment where professionalism is displayed.

- **Obtain employer input for program design.** Employers were actively involved in Washington Works' program design and assessment. The founders initially solicited input by holding breakfast forums with employers and asking them to describe their work-force needs. As the program developed, Washington Works' Employer Advisory Council obtained important strategic feedback from employers on curriculum design and workplace realities.

- **Cultivate and sustain a positive relationship with employers by meeting their needs and respecting their standards.** The founders of Washington Works were visionaries in recognizing and meeting the needs of two "customers"—welfare recipients and employers. They knew that employers would not commit to hiring Washington Works' participants if they didn't first have a favorable impression of the organization. Instead of simply asking employers for job pledges or hiring commitments, Washington Works shows employers that they can reduce their hiring costs by referring candidates with strong work-readiness skills acquired through the Washington Works experience. Washington Works also appeals to employers' interest in diversifying their work force.

  Washington Works consistently refers qualified employees at no cost to the employer. They do not lower their expectations of the program participants (or of themselves) or expect employers to lower theirs.

  Washington Works does not oversell their program. They clearly define their services and accurately describe what their agency can provide. If an employer calls with a job opening and no qualified applicants are available, no one is sent for an interview. If this situation begins to occur frequently, Washington Works assesses why and makes the appropriate changes. Washington Works is also willing to discontinue a relationship with an employer, if necessary. The agency recognizes that continuously sending participants to an employer where problems tend to recur is not a good arrangement for anyone involved.

Finally, the founders recognized the importance of job retention and were pioneers in offering multiple forms of post-placement and alumni support. Constantly retraining entry-level workers is a major problem for many employers. Washington Works built its reputation as a service provider that refers employees who can and will retain the job for at least a year.

- **Build positive relationships with public agencies**. The most direct way to get clients for a program is through the local welfare office. Public agencies and private or nonprofit service providers can each accomplish more when they work together. It is far easier to initiate a positive relationship than to mend a negative one, so it is important to be on good terms with these agencies from the start.

  Service providers can encourage positive relationships by entering into a true partnership and resisting the temptation to treat public agencies as "cash cows" that only provide funding and have no other role.

  Service providers and public agencies can be mutually beneficial to each other. Public agencies represent an important source of referrals and funding, and service providers like Washington Works can play a vital role in advancing the performance goals of these agencies by providing short-term, work-readiness preparation for hard-to-serve welfare clients and post-placement job retention services once individuals start working. The positive employer relationships Washington Works has helped establish also reflect positively on the public agencies.

- **Define the roles of Board members and clarify the division of responsibilities with agency staff**. A solid and competent Board of Directors can help establish internal quality control measures, provide direction, and establish credibility for an agency. Board members should be strategically selected to match the skills and knowledge needed (for example, financial knowledge, legal knowledge, ability to fund-raise, community contacts, content expertise, accountability tools) and should have complementary, mutually supporting skills.

  In creating a Board, the roles and responsibilities of the members need to be clear. Expectations for level of involvement should be spelled out, and Board members should receive training. The division of responsibility between Board members and agency staff also needs to be explicit and clear.

  Establishing Board member term limits can be very useful. (Three-year terms, renewable once, with terms on a staggered basis is a commonly used arrangement.) Board members can

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burn out, factions can develop, and different types of expertise may be needed as an organization evolves.

- **Develop linkages to the larger community.** A Community Relations Coordinator who is in charge of special events, public relations, and volunteer coordination can be a big asset to a service provider. Dedicating staff time to building positive community relations can broaden awareness of the program, increase its stature and visibility, and help the agency integrate into the larger community—which includes public organizations, businesses, the nonprofit sector, and community-based organizations, especially those representing disadvantaged minorities. Enhanced community standing can, in turn, lead to more referrals, expand employer participation, and generate new funding opportunities.

- **Assess continuously, get feedback, and make program and policy adjustments along the way**. The founders of Washington Works recognized the importance of remaining flexible. Thus, the courses have modified periodically to meet the changing needs of students and employers and to adjust to a fluctuating policy and funding environment.

  Gaining program feedback and suggestions from a variety of sources is important. Establishing techniques to foster input from agency staff, employers, graduates, and even participants who do not complete the program can help in identifying strengths and weaknesses in the overall program's approach and curriculum so necessary adjustments can be made.

  An agency should be able to implement needed changes quickly. The shift in Washington's welfare reform policy, under TANF, from a focus on education and training to "work first" forces programs like Washington Works to adapt without compromising the integrity and rigor of its program. Service providers who can respond quickly to such shifts will find themselves in a better strategic position with employers, public-sector agencies, and participants.

- **Understand and manage tensions between visionary or strategic thinkers and day-to-day administrators**. Leaders who start organizations are usually pioneers who possess vision and creativity—but vision and creativity are not enough. Organizations also need strong managers with solid administrative and financial skills and the ability to provide guidance and leadership to staff. Organizations led by a visionary/entrepreneur should have a strong internal manager in the "number two" position, and vice versa. Clear job descriptions and boundaries need to be established so all employees understand who has the final authority in any given area.

Visionaries must recognize the necessity of good day-to-day administrators to complement their skills.

- **Establish funding stability**. Developing financial stability requires a long-term funding plan. Government sources often provide the advantage of multiple-year contracts, pay-for-performance terms, and at least some client referral. Resources from private sources and foundations can facilitate the testing of pilot programs and can foster investments in strategic planning and new services development, as well as filling the gaps that public funding cannot support. However, private sources are unlikely to provide a base of long-term funding that can completely support an agency or a program. Acquiring a mixture of public and private funds allows both creativity and long-term stability.

- **Develop uniform data-reporting standards**. It is difficult to obtain a meaningful indication of program performance when work definitions and calculations of commonly used measurements such as enrollments, job placement, and job retention do not exist. If public-sector funders establish universal definitions and require service providers to report data using these criteria, it will be easier to assess and compare program outcomes both within and among service providers.

- **Record program history and maintain participant data**. As an organization develops, it is important to maintain written records of its history-including executive meetings, training materials, program development, and Board meetings. It is also important to maintain reporting data on program participants. This is a simple point that is easy to neglect when an organization is new and focused on maintaining its existence. As an organization expands and experiences staff turnover, these written materials will be very useful in building an institutional history, which is especially beneficial when leadership transitions occur.

- **Prepare for expansion and success**. As an organization begins to grow, the immediate focus may be organizational survival. It is important, however, to plan for success. Developing a strategic plan including three- to five-year plans for organizational growth and direction is critical. The absence of a strategic plan may allow managers to pull the organization in a variety of directions and jeopardize program success. Considering how current decisions fit into the long-term vision provides important organizational guidance.

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CONCLUSION

The founders of Washington Works were visionaries who had new and creative ideas about how to apply the concept of "work first." They understood that empowering disadvantaged single mothers, developing strong ties with the employer community, and focusing on job retention through various post-placement services were important ingredients in assisting women on welfare to achieve economic self-sufficiency. Washington Works continues to be a program with a clear mission. It has endured internal conflict and maintained above-average placement wages and retention rates. It has accomplished all of this without abandoning the founders' dream of creating economic opportunities for disadvantaged women through personal transformation.

Washington Works faces additional change as its Board of Directors selects a new executive director. This appointment will be an essential one. The agency needs to continue establishing positive linkages with public agencies while maintaining its favorable reputation among employers and the community. From an internal perspective, preserving the core mission, ensuring Board unification, and maintaining staff morale will be fundamental.

The experience of Washington Works can serve as an important resource for other nonprofit agencies considering issues of organizational development while assisting welfare clients to attain economic self-sufficiency. Whether similar results can be accomplished among participants with less educational capital remains to be seen. As Washington Works, DSHS, and the PIC staff note, although Washington Works' participants have basic education skills at program entry, barriers such as domestic violence, low self-esteem, and drug dependency are, quite often, a part of their background. Based on its experiences to date, however, Washington Works seems positioned to successfully face the challenges of serving these individuals while remaining committed to its original core mission of personal transformation.

SELECTED PUBLICATIONS ON MDRC PROJECTS

Reforming Welfare

Books and Monographs

Reforming Welfare with Work (Ford Foundation). Monograph. 1987. Judith Gueron. A review of welfare-to-work initiatives in five states.

From Welfare to Work (Russell Sage Foundation). Book. 1991. Judith Gueron, Edward Pauly. A synthesis of research findings on the effectiveness of welfare-to-work programs. Chapter 1, which is the summary of the book, is also published separately by MDRC.

Five Years After: The Long-Term Effects of Welfare-to-Work Programs (Russell Sage Foundation). Book. 1995. Daniel Friedlander, Gary Burtless. An analysis of five-year follow-up data on four welfare-to-work programs.

After AFDC: Welfare-to-Work Choices and Challenges for States. Book. 1997. Dan Bloom. A summary and synthesis of lessons derived from studies of welfare reform programs.

ReWORKing Welfare: Technical Assistance for States and Localities

After AFDC: Welfare-to-Work Choices and Challenges for States. See under Books and Monographs.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

Work First: How to Implement an Employment-Focused Approach to Welfare Reform. 1997. Amy Brown.

Connections to Work

Tulsa's IndEx Program: A Business-Led Initiative for Welfare Reform and Economic Development. 1997. Maria Buck.

Washington Works: Sustaining a Vision of Welfare Reform Based on Personal Change, Work Preparation, and Employer Involvement. 1998. Susan Gooden.

Working Papers

Working Papers related to a specific project are listed under that project.

Learning from the Voices of Mothers: Single Mothers' Perceptions of the Trade-offs Between Welfare and Work. 1993. LaDonna Pavetti.

Unpaid Work Experience for Welfare Recipients: Findings and Lessons from MDRC Research. 1993. Thomas Brock, David Butler, David Long.

From Welfare to Work Among Lone Parents in Britain: Lessons for America. 1996. James Riccio.

Papers for Practitioners

Assessing JOBS Participants: Issues and Trade-offs. 1992. Patricia Auspos, Kay Sherwood.

Linking Welfare and Education: A Study of New Programs in Five States. 1992. Edward Pauly, David Long, Karin Martinson.

Improving the Productivity of JOBS Programs. 1993. Eugene Bardach.

Note: For works not published by MDRC, the publisher's name is shown in parentheses.

Reports and Other Publications

Time-Limited Welfare

Florida's Family Transition Program

A study of Florida's initial time-limited welfare program.

The Family Transition Program: Implementation and Early Impacts of Florida's Initial Time-Limited Welfare Program. 1997. Dan Bloom, James Kemple, Robin Rogers-Dillon.

The Cross-State Study of Time-Limited Welfare

An examination of the implementation of some of the first state-initiated time-limited welfare programs.

Implementing Time-Limited Welfare: Early Experiences in Three States. 1995. Dan Bloom, David Butler.
The View from the Field: As Time Limits Approach, Welfare Recipients and Staff Talk About Their Attitudes and Expectations. 1997. Amy Brown, Dan Bloom, David Butler.

Making Work Pay

The Minnesota Family Investment Program (MFIP)

An evaluation of Minnesota's welfare reform initiative.

MFIP: An Early Report on Minnesota's Approach to Welfare Reform. 1995. Virginia Knox, Amy Brown, Winston Lin.
MFIP: Making Welfare Work and Work Pay—Implementation and 18-Month Impacts of the Minnesota Family Investment Program. 1997. Cynthia Miller, Virginia Knox, Patricia Auspos, Jo Anna Hunter-Manns, Alan Orenstein.

The New Hope Project

A test of a neighborhood-based antipoverty program and welfare alternative operating in Milwaukee.

The New Hope Offer: Participants in the New Hope Demonstration Discuss Work, Family, and Self-Sufficiency. Working Paper. 1996. Dudley Benoit.
Who Got New Hope? Working Paper. 1997. Michael Wiseman.
Creating New Hope: Implementation of a Program to Reduce Poverty and Reform Welfare. 1997. Thomas Brock, Fred Doolittle, Veronica Fellerath, Michael Wiseman.

Canada's Self-Sufficiency Project (SSP)

A test of the effectiveness of a temporary earnings supplement on the employment and welfare receipt of public assistance recipients. Reports on the Self-Sufficiency Project are available from: Social Research and Demonstration Corporation (SRDC), 275 Slater St., Suite 900, Ottawa, Ontario K1P 5H9, Canada. Tel.: 613-237-4311; Fax: 613-237-5045. In the United States, the reports are also available from MDRC.

When Work Pays Better Than Welfare: A Summary of the Self-Sufficiency Project's Implementation, Focus Group, and Initial 18-Month Impact Reports (Social Research and Demonstration Corporation). 1996.
How Important Are "Entry Effects" in Financial Incentive Programs for Welfare Recipients? Experimental Evidence from the Self-Sufficiency Project (Social Research and Demonstration Corporation). Working Paper. 1997. David Card, Philip Robins, Winston Lin.

Welfare Employment Programs

National Evaluation of Welfare-to-Work Strategies

An evaluation of welfare-to-work programs launched under the Job Opportunities and Basic Skills Training (JOBS) provisions of the Family Support Act of 1988.

Adult Education for People on AFDC–A Synthesis of Research (HHS, ASPE). 1995. Edward Pauly.

Early Findings on Program Impacts in Three Sites (HHS, ASPE). 1995. Stephen Freedman, Daniel Friedlander.

How Well Are They Faring? AFDC Families with Preschool-Aged Children in Atlanta at the Outset of the JOBS Evaluation (HHS, ASPE). 1995. Child Trends, Inc.: Kristin Moore, Martha Zaslow, Mary Jo Coiro, Suzanne Miller, Ellen Magenheim.

Monthly Participation Rates in Three Sites and Factors Affecting Participation Levels in Welfare-to-Work Programs (HHS, ASPE). 1995. Gayle Hamilton.

Evaluating Two Welfare-to-Work Program Approaches: Two-Year Findings on the Labor Force Attachment and Human Capital Development Programs in Three Sites (HHS, Administration for Children and Families and ASPE). 1997. Gayle Hamilton, Thomas Brock, Mary Farrell, Daniel Friedlander, Kristin Harknett.

The GAIN Evaluation

An evaluation of California's Greater Avenues for Independence (GAIN) Program, the state's JOBS program.

GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program. 1994. James Riccio, Daniel Friedlander, Stephen Freedman.

Related Studies:

The Impacts of California's GAIN Program on Different Ethnic Groups: Two-Year Findings on Earnings and AFDC Payments. Working Paper. 1994. Daniel Friedlander.

Can They All Work? A Study of the Employment Potential of Welfare Recipients in a Welfare-to-Work Program. Working Paper. 1995. James Riccio, Stephen Freedman.

The Evaluation of Florida's Project Independence

An evaluation of Florida's JOBS program.

Florida's Project Independence: Benefits, Costs, and Two-Year Impacts of Florida's JOBS Program. 1995. James Kemple, Daniel Friedlander, Veronica Fellerath.

The Self-Employment Investment Demonstration (SEID)

A test of the feasibility of operating a program to encourage self-employment among recipients of AFDC.

Self-Employment for Welfare Recipients: Implementation of the SEID Program. 1991. Cynthia Guy, Fred Doolittle, Barbara Fink.

Programs for Teenage Parents

The LEAP Evaluation

An evaluation of Ohio's Learning, Earning, and Parenting (LEAP) Program, which uses financial incentives to encourage teenage parents on welfare to stay in or return to school.

LEAP: Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1997. Johannes Bos, Veronica Fellerath.

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The New Chance Demonstration

A test of a comprehensive program of services that seeks to improve the economic status and general well-being of a group of highly disadvantaged young women and their children.

Lives of Promise, Lives of Pain: Young Mothers After New Chance. Monograph. 1994. Janet Quint, Judith Musick, with Joyce Ladner.

New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children. 1997. Janet Quint, Johannes Bos, Denise Polit.

Parenting Behavior in a Sample of Young Single Mothers in Poverty: Results of the New Chance Observational Study. 1997. Martha Zaslow, Carolyn Eldred, editors.

Project Redirection

A test of a comprehensive program of services for pregnant and parenting teenagers.

The Challenge of Serving Teenage Mothers: Lessons from Project Redirection. Monograph. 1988. Denise Polit, Janet Quint, James Riccio.

The Community Service Projects

A test of a New York State teenage pregnancy prevention and services initiative.

The Community Service Projects: Final Report on a New York State Adolescent Pregnancy Prevention and Services Program. 1988. Cynthia Guy, Lawrence Bailis, David Palasits, Kay Sherwood.

The Parents' Fair Share Demonstration

A demonstration aimed at reducing child poverty by increasing the job-holding, earnings, and child support payments of unemployed, noncustodial parents (usually fathers) of children receiving public assistance.

Matching Opportunities to Obligations: Lessons for Child Support Reform from the Parents' Fair Share Pilot Phase. 1994. Dan Bloom, Kay Sherwood.

Low-Income Parents and the Parents' Fair Share Demonstration: An Early Qualitative Look at Low-Income Noncustodial Parents (NCPs) and How One Policy Initiative Has Attempted to Improve Their Ability to Pay Child Support. Working Paper. 1996. Earl Johnson, Fred Doolittle.

The National Supported Work Demonstration

A test of a transitional work experience program for four disadvantaged groups.

Summary and Findings of the National Supported Work Demonstration. 1980. MDRC Board of Directors.

Education Reform

The School-to-Work Project

A study of innovative programs that help students make the transition from school to work or college.

Home-Grown Lessons: Innovative Programs Linking School and Work (Jossey-Bass Publishers). Book. 1995. Edward Pauly, Hilary Kopp, Joshua Haimson. Revised version of a 1994 MDRC report.

Learning Through Work: Designing and Implementing Quality Worksite Learning for High School Students. 1994. Susan Goldberger, Richard Kazis, Mary Kathleen O'Flanagan (all of Jobs for the Future).

Home-Grown Progress: The Evolution of Innovative School-to-Work Programs. 1997. Rachel Pedraza, Edward Pauly, Hilary Kopp.

Career Academies Evaluation

A 10-site study of a promising approach to high school restructuring and the school-to-work transition.

Career Academies: Early Implementation Lessons from a 10-Site Evaluation. 1996. James Kemple, JoAnn Leah Rock.

Career Academies: Communities of Support for Students and Teachers—Emerging Findings from a 10-Site Evaluation. 1997. James Kemple.

Other Programs for Youth

The JOBSTART Demonstration

A test of a program combining education, training, support services, and job placement for very disadvantaged young high school dropouts.

JOBSTART: Final Report on a Program for School Dropouts. 1993. George Cave, Fred Doolittle, Hans Bos, Cyril Toussaint.

The Career Beginnings Evaluation

An evaluation of a program that seeks to increase college attendance and improve job quality among disadvantaged high school students.

Career Beginnings Impact Evaluation: Findings from a Program for Disadvantaged High School Students. 1998. George Cave, Janet Quint.

The Youth Incentive Entitlement Pilot Projects (YIEPP) Demonstration

A test of a school-conditioned job guarantee for low-income youth.

Lessons from a Job Guarantee: The Youth Incentive Entitlement Pilot Projects. Monograph. 1984. Judith Gueron.

The National JTPA Study

A study of 16 local programs under the Job Training Partnership Act (JTPA), the nation's job training system for low-income individuals.

Implementing the National JTPA Study. 1990. Fred Doolittle, Linda Traeger.
The National JTPA Study: Site Characteristics and Participation Patterns. 1993. James Kemple, Fred Doolittle, John Wallace.
A Summary of the Design and Implementation of the National JTPA Study. 1993. Fred Doolittle.

The Section 3 Study

Lessons from the Field on the Implementation of Section 3 (U.S. Department of Housing and Urban Development, Office of Policy Development and Research). 1996. Maxine Bailey, Suzanne Lynn.

About MDRC

The Manpower Demonstration Research Corporation (MDRC) is a nonprofit social policy research organization founded in 1974 and located in New York City and San Francisco. Its mission is to design and rigorously field-test promising education and employment-related programs aimed at improving the well-being of disadvantaged adults and youth, and to provide policymakers and practitioners with reliable evidence on the effectiveness of social programs. Through this work, and its technical assistance to program administrators, MDRC seeks to enhance the quality of public policies and programs. MDRC actively disseminates the results of its research through its publications and through interchanges with a broad audience of policymakers and practitioners; state, local, and federal officials; program planners and operators; the funding community; educators; scholars; community and national organizations; the media; and the general public.

Over the past two decades—working in partnership with more than forty states, the federal government, scores of communities, and numerous private philanthropies—MDRC has developed and studied more than three dozen promising social policy initiatives.

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